

104TH CONGRESS
2D SESSION

S. 1527

To amend the Internal Revenue Code of 1986 to treat recycling facilities as solid waste disposal facilities under the tax-exempt bond rules, and for other purposes.

IN THE SENATE OF THE UNITED STATES

JANUARY 25, 1996

Mr. GREGG introduced the following bill; which was read twice and referred to the Committee on Finance

A BILL

To amend the Internal Revenue Code of 1986 to treat recycling facilities as solid waste disposal facilities under the tax-exempt bond rules, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Environmental Infra-
5 structure Financing Act of 1995”.

6 **SEC. 2. RECYCLING FACILITIES TREATED AS SOLID WASTE** 7 **DISPOSAL FACILITIES.**

8 (a) IN GENERAL.—Section 142 of the Internal Reve-
9 nue Code of 1986 (defining exempt facility bond) is

1 amended by adding at the end the following new sub-
 2 section:

3 “(k) SOLID WASTE DISPOSAL FACILITIES.—

4 “(1) IN GENERAL.—For purposes of subsection
 5 (a)(6), the term ‘solid waste disposal facilities’ in-
 6 cludes qualified recycling facilities.

7 “(2) QUALIFIED RECYCLING FACILITIES DE-
 8 FINED.—

9 “(A) IN GENERAL.—For purposes of para-
 10 graph (1), the term ‘qualified recycling facili-
 11 ties’ means any facility used—

12 “(i) to sort and prepare municipal, in-
 13 dustrial, and commercial refuse for recy-
 14 cling, or

15 “(ii) in the recycling of qualified
 16 refuse.

17 “(B) QUALIFIED REFUSE.—For purposes
 18 of this paragraph, the term ‘qualified refuse’
 19 means—

20 “(i) yard waste,

21 “(ii) food waste,

22 “(iii) waste paper and paperboard,

23 “(iv) plastic scrap,

24 “(v) rubber scrap,

1 “(vi) ferrous and nonferrous scrap
2 metal,

3 “(vii) waste glass,

4 “(viii) construction and demolition
5 waste, and

6 “(ix) biosolids (sewage sludge).

7 “(C) RECYCLING.—For purposes of this
8 paragraph, the term ‘recycling’ includes ei-
9 ther—

10 “(i) processing (including composting)
11 qualified refuse to a point at which such
12 refuse has commercial value; or

13 “(ii) manufacturing products from
14 qualified refuse when such refuse con-
15 stitutes at least 40 percent, by weight or
16 volume, of the total materials introduced
17 into the manufacturing process.

18 “(D) SPECIAL RULE.—Refuse shall not fail
19 to be treated as waste merely because such
20 refuse has a market value at the place such
21 refuse is located only by reason of the value of
22 such refuse for recycling.”

1 (b) EFFECTIVE DATE.—The amendment made by
2 this section shall apply to bonds issued after the date of
3 the enactment of this Act.

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